

Exhibit 1

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SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (this “Settlement Agreement”) is made by and between: (1) Areya Holder Aurzada, as Liquidating Trustee of the Liquidating Trust (the “Trustee”); and (2) Forum Energy Technologies, Inc. dba Forum Valve Solutions (“Forum”) and Forum US, Inc.¹ (“Forum US”) (Forum and Forum US may be collectively referred to herein as the “Defendants”). Hereinafter, Trustee and Defendants are referred to collectively as the “Parties”.

WHEREAS, on February 7, 2016, Mid-States Supply Company, Inc. (the “Debtor”) filed a voluntary petition for relief under chapter 11, title 11 of the United States Code (the “Code”) in the United States Bankruptcy Court for the Western District of Missouri (the “Court”), thereby commencing a bankruptcy case under Case No. 16-40271 (CAN) (the “Case”);

WHEREAS, on December 21, 2016, the Court entered its *Order: (A) Confirming Joint Chapter 11 Plan of Liquidation and (B) Approving Corrected Disclosure Statement with Respect to Joint Chapter 11 Plan of Liquidation* [Dkt. 586] (“Confirmation Order”), confirming that certain *Joint Chapter 11 Plan of Liquidation* filed at Docket Number 555 (“Plan”);

WHEREAS, the effective date of the Plan (the “Effective Date”) occurred on January 20, 2017 [Dkt. Nos. 600, 602];

WHEREAS, in accordance with the Plan and Confirmation Order, the Liquidating Trust (the “Trust”) was established effective on the Effective Date. Also on the Effective Date, as contemplated by the Plan and Confirmation Order, the Debtor and the Trustee entered into that certain Liquidating Trust Agreement;

WHEREAS, under Sections 6.4, 6.5 and 6.8 of the Plan, on the Effective Date, the “Trust Assets” (as defined in the Plan), including Causes of Action arising under chapter 5 of the Bankruptcy Code, were transferred to the Trust, and the Trustee was appointed to serve as the Trustee and is authorized and has exclusive standing, among other things, to prosecute, settle, dismiss, abandon, or otherwise dispose of Causes of Action under chapter 5 of the Bankruptcy Code, including, without limitation, the Transfers subject to this Settlement Agreement (the “Avoidance Actions”);

WHEREAS, under the terms of the Plan, an order of the Court is not required for the Trustee to take the following actions, and the Trustee is authorized under the Confirmation Order and the Plan, without a Court order, to: (i) enter into this Settlement Agreement, and (ii) perform all terms set forth in this Settlement Agreement;

WHEREAS, the Trustee asserts that the Defendants received value from the Debtor via certain transfer(s) as set forth in **Exhibits A** and **B** attached hereto totaling \$544,222.86 (the “Transfers”). The Trustee alleges that the Transfers are avoidable under the provisions of Sections 547-550 of the Code;

¹ ABZ Valves & Controls Inc. (“ABZ”) was merged into Forum US, Inc. on December 31, 2011 (the “ABZ Acquisition”). As a result of the ABZ Acquisition, and for purposes of this Settlement Agreement, Forum US is the successor in interest to ABZ and therefore acquires any and all rights and interests ABZ would have in connection with this Settlement Agreement, specifically including the Claims.

WHEREAS, the Defendants deny any liability and deny the Trustee's allegations that the Transfers are avoidable under the provisions of Section 547-550 of the Code;

WHEREAS, following good faith negotiations, Trustee and Defendants desire to settle and compromise this matter, on the terms set forth herein, to avoid the cost and uncertainty of further litigation; and

WHEREAS, in full and final settlement of Defendants' alleged liability for the Transfers under Chapter 5 of the Code, Defendants have agreed to waive and fully release (i) allowance of any claims in this Case and (ii) receipt of distribution of any assets in this Case, and Trustee has agreed to fully release Defendants from all liability for the Transfers.

NOW THEREFORE, the Parties agree as follows:

1. Recitals. The above recitals support the basis for this Settlement Agreement and are each incorporated herein and made a part hereof for all purposes. The Parties each hereby acknowledge that the above recitals constitute truthful, correct and accurate representations and warranties. The Parties each are hereby permitted to rely on the accuracy of the above recitals. The Parties are not required to conduct any investigation regarding the accuracy of the above recitals. The recitals are a substantive, contractual part of this Settlement Agreement.
2. Settlement. In exchange for the mutual releases described in Section 5 of this Settlement Agreement, Defendants hereby acknowledge and agree that: (A) any and all claims or proofs of claim: (i) filed in the Claims Register of this Case by, in favor of, or on behalf of Defendants; (ii) delivered to the Claims Agent in this Case by, in favor of, or on behalf of Claimant; or (iii) otherwise submitted, listed in the Debtor's Schedules of Assets and Liabilities [Dkt. 316] (as may be amended from time to time), or requested in any manner in this Case seeking allowance or payment of any claims in favor of Defendant; specifically including, without limitation, Claims Agent Claim No. 988 in the amount of \$1,791,697.89 submitted by Defendants to the Claims Agent in this Case on or about October 3, 2016, (collectively, the "Claims") shall be deemed disallowed and expunged in their entirety; and (B) Defendants shall not be entitled to receive any money, value or other form of distribution of any property of the bankruptcy estate or the Liquidating Trust in this Case.
3. Bankruptcy Court Approval Required. Pursuant to Section 7.5 of the Plan, because the value of the claims asserted in this case exceeds \$100,000, the Trustee is required to seek Bankruptcy Court approval of the terms of this Settlement Agreement.
4. Settlement Effective Date. This Settlement Agreement shall become effective on the first date when (A) it has been duly executed and delivered by both Parties (such date, the "Settlement Effective Date"); and (B) approved by the Bankruptcy Court pursuant to Section 7.5 of the Plan.
5. Mutual Releases. Both Parties acknowledge this Settlement Agreement is intended to fully resolve the Defendants' liability, if any, for the Transfers made by the Debtor to the Defendants. On the Settlement Effective Date, Trustee and Defendants, do forever release, acquit and forever discharge each other and all of their respective owners, partners, representatives, insurers, guarantors, subsidiaries, affiliates, affiliated companies, as well as their past and present directors, officers, members, managers, employees, partners and

spouses of partners, parents, subcontractors, attorneys, professionals, and agents, and all of their respective successors, predecessors, and assigns, from any and all liability of any kind whatsoever, including all claims, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions of claims, claims and demands, whatsoever latent or patent, in law or in equity, whether known or unknown, mature or unmature, arising from, related to or in connection with the Transfers made by the Debtor to Defendants.

6. Waiver of 502(h). Defendants hereby waive any rights under Section 502(h) of the Code to file a proof of claim (or to increase the amount set forth in an existing proof of claim) in the amount of the Claims waived and released by this Settlement Agreement.
7. Waiver of Terms. A waiver of any term or condition of this Settlement Agreement will not be deemed to be, and may not be construed as, a waiver of any other term or condition hereof.
8. No Admission of Liability. Each of the Parties acknowledge this Settlement Agreement is a compromise of a disputed claim and is not intended to be construed as an admission of any liability by either Party.
9. Entire Agreement. This Settlement Agreement constitutes the complete understanding between the Parties and it cannot be altered, amended, or modified in any respect, except by a writing duly executed by both Parties.
10. Voluntary Act. Each of the Parties does hereby warrant, with respect to itself only, that it is authorized and empowered to execute this Settlement Agreement. The Parties acknowledge that they have read this Settlement Agreement in its entirety, fully understood its terms, and voluntarily accepted the terms set forth herein. Further, each Party acknowledges that it has had an opportunity to consult with legal counsel and any other advisers of its choice with respect to the terms of this Settlement Agreement and it is signing this Settlement Agreement of its own free will.
11. Attorneys' Fees. Each Party shall bear its own attorneys' fees and costs relating to the Transfers settlement negotiations and the negotiation and execution of this Settlement Agreement. However, if either Party must commence an action to enforce the terms of this Settlement Agreement, other than seeking an approval order, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses including attorneys' fees, in connection with said enforcement action.
12. No Assignment. Each Party hereby represents and warrants to the other Party that it has made no assignment, and hereafter will make no assignment of any claim, cause in action, right of action, or any other right released pursuant to this Settlement Agreement.
13. Headings. The various headings used in this Settlement Agreement are solely for the convenience of the Parties and shall not be used to interpret this Settlement Agreement and are inserted only as a manner of convenience and in no way define, limit, extend, or describe the scope of this Settlement Agreement or the intent of any provision thereof.

14. Governing Law. This Settlement Agreement shall be construed and interpreted in accordance with the internal laws of the State of Texas, without regard to its choice of law rules.
15. Severability. Whenever possible, each provision of this Settlement Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Settlement Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Settlement Agreement.
16. Notice. Notice under this Settlement Agreement shall be given by email or overnight delivery as follows:

If to the Liquidating Trust:

Foley & Lardner LLP
Attn: Thomas C. Scannell
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
214-999-4289
tscannell@foley.com

and

HOLDER LAW
Attn: Areya Holder Aurzada
901 Main Street, Suite 5320
Dallas, TX 75202
972-438-8800
areya@holderlawpc.com

If to any of the Defendants:

Sidley Austin LLP
Attn: Michael Fishel
1000 Louisiana St., Suite 6000
Houston, TX 77002
713-495-4645
mfishel@sidley.com

and

Forum Energy Technologies Inc.
Attn: John C. Ivascu
920 Memorial City Way
Suite 1000
Houston, Texas 77024
281-949-2541

John.Ivascu@f-e-t.com

17. Execution in Counterparts. It is understood and agreed that this Settlement Agreement may be executed in identical counterparts and may be transmitted by email or facsimile, each of which shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed as of _____, 2018.

For Trust:

Liquidating Trust

By: _____

Areya Holder Aurzada

Liquidating Trustee of the Liquidating Trust

For Defendants:

Forum US, Inc.

By: _____

James W. Harris _____

President

Forum Energy Technologies, Inc. dba Forum Valve Solutions

By: _____

James W. Harris _____

President

Exhibit A

Transfers Settled by this Settlement Agreement
Forum US, Inc. (ABZ Valves & Controls)

Recipient	Transfer Type	Transfer Date	Amount (\$USD)
Forum US, Inc. (ABZ Valves & Controls)	Debit	11/13/2015	524.25
Forum US, Inc. (ABZ Valves & Controls)	Debit	11/18/2015	12,800.10
Forum US, Inc. (ABZ Valves & Controls)	Debit	11/19/2015	5,214.55
Forum US, Inc. (ABZ Valves & Controls)	Debit	11/25/2015	5,297.04
Forum US, Inc. (ABZ Valves & Controls)	Debit	11/25/2015	3,959.22
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/2/2015	100,000.00
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/8/2015	9,551.86
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/9/2015	1,144.00
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/10/2015	1,329.75
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/11/2015	3,010.55
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/15/2015	5,507.40

Forum US, Inc. (ABZ Valves & Controls)	Debit	12/16/2015	968.59
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/17/2015	598.95
Forum US, Inc. (ABZ Valves & Controls)	Debit	12/31/2015	343.19
Forum US, Inc. (ABZ Valves & Controls)	Debit	1/11/2016	85,821.54
Forum US, Inc. (ABZ Valves & Controls)	Debit	1/15/2016	2,747.25
Forum US, Inc. (ABZ Valves & Controls)	Debit	1/19/2016	217.10
Forum US, Inc. (ABZ Valves & Controls)	Debit	1/19/2016	86.00
Forum US, Inc. (ABZ Valves & Controls)	Debit	2/4/2016	2,998.05
TOTAL			\$242,119.39

Exhibit B

Transfers Settled by this Settlement Agreement
Valve Solutions (Forum Valve Solutions)

Recipient	Transfer Type	Transfer Date	Amount (\$USD)
Valve Solutions (Forum Valve Solutions)	Debit	11/13/2015	15,421.88
Valve Solutions (Forum Valve Solutions)	Debit	11/19/2015	6,474.47
Valve Solutions (Forum Valve Solutions)	Debit	11/20/2015	33,629.31
Valve Solutions (Forum Valve Solutions)	Debit	11/25/2015	2,921.20
Valve Solutions (Forum Valve Solutions)	Debit	12/2/2015	41,495.72
Valve Solutions (Forum Valve Solutions)	Debit	12/2/2015	23,998.20
Valve Solutions (Forum Valve Solutions)	Debit	12/3/2015	2,866.00
Valve Solutions (Forum Valve Solutions)	Debit	12/4/2015	23,396.08
Valve Solutions (Forum Valve Solutions)	Debit	12/7/2015	12,864.40
Valve Solutions (Forum Valve Solutions)	Debit	12/8/2015	430.20
Valve Solutions (Forum Valve Solutions)	Debit	12/8/2015	192.44
Valve Solutions (Forum Valve Solutions)	Debit	12/10/2015	834.61
Valve Solutions (Forum Valve Solutions)	Debit	12/11/2015	580.11
Valve Solutions (Forum Valve Solutions)	Debit	12/15/2015	11,749.00
Valve Solutions (Forum Valve Solutions)	Debit	12/15/2015	8,082.00
Valve Solutions (Forum Valve Solutions)	Debit	12/16/2015	677.12
Valve Solutions (Forum Valve Solutions)	Debit	12/17/2015	18,360.00
Valve Solutions (Forum Valve Solutions)	Debit	12/18/2015	44,016.57
Valve Solutions (Forum Valve Solutions)	Debit	12/18/2015	656.00

Valve Solutions (Forum Valve Solutions)	Debit	12/31/2015	72.00
Valve Solutions (Forum Valve Solutions)	Debit	1/13/2016	837.00
Valve Solutions (Forum Valve Solutions)	Debit	1/15/2016	19,696.62
Valve Solutions (Forum Valve Solutions)	Debit	1/19/2016	4,440.00
Valve Solutions (Forum Valve Solutions)	Debit	1/19/2016	1,777.23
Valve Solutions (Forum Valve Solutions)	Debit	1/19/2016	2,595.28
Valve Solutions (Forum Valve Solutions)	Debit	1/19/2016	468.00
Valve Solutions (Forum Valve Solutions)	Debit	1/20/2016	156.00
Valve Solutions (Forum Valve Solutions)	Debit	1/29/2016	16,301.71
Valve Solutions (Forum Valve Solutions)	Debit	2/1/2016	272.55
Valve Solutions (Forum Valve Solutions)	Debit	2/2/2016	3,515.60
Valve Solutions (Forum Valve Solutions)	Debit	2/2/2016	1,334.96
Valve Solutions (Forum Valve Solutions)	Debit	2/4/2016	1,991.21
TOTAL			\$302,103.47